

FOREIGN OFFICE
COMMERCIAL REPORT

PHILIPPINES

1867

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PHILIPPINE ISLANDS.

Report by Mr. Consul Ricketts on the Trade and Commerce of the Philippine Islands for the Year 1867.

THE Philippine Group, extending from 5° to 21° north, and from 116° to 128° east, is composed of 400 islands, containing a population of about 5,566,000 souls; of these 4,766,270 are subject to the payment of an annual tribute; the remainder live in a state of independence.

The area of the Philippines may be approximately taken at 102,000 geographical square miles. The area of Luzon, the largest isle of the group, is 35,000 geographical square miles; its population numbers about 2,856,021. The population of the Visayas, islands lying to the southwards of Luzon, of which Panag, Leyte, Cebu, Samar, and Negros are the principal, is reckoned at about 1,910,275 persons. Mindanao, the southernmost island of the archipelago, and little inferior in size to the island of Luzon, is said to be but thinly populated; little, however, seems to be known either as regards the number of its inhabitants or its resources.

All the inhabitants of the plains of Luzon and the Visayas have embraced the Roman Catholic faith, but those of Mindanao, with but few exceptions, still adhere to the religion of Mahomet.

The seasons may be divided into the wet and dry, the former extending from June to November, and the latter from December to May.

The maximum of the thermometer during the dry months in 1866 was 33·9, the minimum 22·2 centigrade; during the wet months the maximum was 31·2, the minimum 21·8. The mean of the year was 27·5. The average amount of rainfall annually is about 98 inches.

The soil of the Philippines is for the most part exceedingly fertile; indeed in few regions has Nature done more for man than in this. Among its productions are rice, coffee, indigo, tobacco, hemp, and sugar.

I now proceed to offer a few remarks on these, the principal objects of the commerce of this colony.

Rice.—The hill rice is sown in May, and cut in October, whilst that of the plains is planted generally in July or August, and gathered in December and January. Rice forms the staple article of food for the inhabitants; its price varies according to locality. One quilon of land, or about 6·903 acres in the province of Bulacan, on an average crop, is said to produce from 250 to 300 cavans of paddy. Were the system of irrigation understood, and generally practised, the cultivation of rice might be considerably augmented.

Coffee.—Considering that coffee grows with the greatest facility in the provinces of Laguna, Cavite, Tagabas, and Negros, and that its quality is considered excellent, it is indeed surprising that its culture is so limited. The export of coffee from Java is probably over 1,000,000 piculs, whilst that from the Philippines is but 40,000 piculs per annum.

Indigo (*Indigofera Tinctoria*).—This is grown in the provinces of Pangasinan and Ilocos; it is sown in November, and the crop gathered in June. Its quality being inferior, owing in a great measure to a want

of knowledge of the process of its manufacture, and the profit to the grower being exceedingly small, few care to employ their time in its cultivation. The total annual production of indigo is seldom in excess of 5,000 quintals.

Sugar-cane (*Saccharum Officinarum*).—This cane is cultivated in Negros, Panay, Cebu, Luzon, and in nearly every part of the archipelago; the yellow variety being generally raised in the province of Pampanga (Luzon), and the purple in Negros and Panay. The shoots are planted in the month of February, and the crops cut in the January following. The yield of raw sugar from cane planted in an indifferent soil is about 12 piculs per acre, and in the best soil about 40 piculs, the average being about 20. The best quality is from Pampanga, and the worst from Taal, or Batangas. The native apparatus for crushing sugar, which consists of two stone cylinders with wooden teeth, is in many places superseded by iron rollers from England. Steam sugar mills have also been set up on the estates of some of the Mestizo and European landlords. It is impossible to compute the total production of sugar during the last year of the Philippines, or of any particular district, there being no sort of statistics on the subject.

Hemp (*Musa Troglodytarium Textoria*, or *Wild Plantain*).—This plant, from which cordage, mats, and wearing apparel, of various descriptions are manufactured, is cultivated in many parts, but more especially in the provinces of Albay and Camarines, in the south of Luzon. It is planted in the rainy season, and is propagated with ease in the same manner as the common plantain. 100 plants occupy about 1,000 square yards of land. The method of making the land is as follows: the tree, after having attained the age of between two and three years, is cut down and stripped of its folds; these are then divided into pieces of three or four inches wide, and the pulpy or fleshy part separated by the process of drawing them under a knife, fixed for the purpose; the fibre is thus laid bare, and is then placed in the sun to dry. If the plant be left on the ground for any length of time after it has been cut down, the hemp made from it assumes a reddish tinge unsuited to commerce; 50 trees produce about 25 lbs. of hemp. The total production in the Philippines of hemp, during the year 1867, did not, it is said, amount to much more than 400,000 piculs.

The exportation of hemp and sugar, although somewhat greater in 1867 than in 1866 appears for some years past to have manifested but little augmentation; this is to be attributed, not to any falling off in the demand, but rather to a diminution in the supply of this sort of produce. Many suppose that the present more favourable rate of prices will stimulate the natives to extend cultivation; considering, however, that the holders of large estates seldom farm them themselves, but sublet them on the *metayer* system, that the peasantry constitute the bulk of the landholders, and are for the most part indebted, possessing but little desire for accumulation, it becomes questionable whether such expectations will be realized.

The encouragement of Chinese settlers, and the putting them on the same footing as the natives in all matters of taxation and protection, would no doubt go far towards improving the agricultural resources of the country.

Tobacco (*Nicotiana Tabacum*).—This plant is furnished by all these islands, but the largest and best quality comes from the province of Cagayan, in the northern part of Luzon. The seed is sown in November, and the leaves plucked in the February and the March following. What may have been the total amount of tobacco raised in 1867 one cannot say, but the amount delivered to the Government may be estimated at about 210,000.

quintals, of which 125,000 were furnished by the provinces of Cagayan and Isabela. The manufacture, though free under certain conditions in the Visagan provinces, is a Government monopoly in Luzon. The provisions for the culture of tobacco are very arbitrary; in some provinces the people are permitted, and in others prohibited, to engage in its cultivation; in Cagayan, with the exception of a little maize, it is the only produce raised.

All tobacco grown in Luzon must be furnished to the Government at the rate of 8 dollars 50 cents. per bale of the first class, of 6 dollars per bale of the second class, of 2 dollars 50 cents. per bale of the third class, and so on, rates which are anything but remunerative to the producer. In view of the fact that little or no rice is grown in Cagayan, but that the quantity required for consumption is imported from adjacent districts at a high price, and that the peasant is often compelled to borrow money at exorbitant rates, to enable him to support his family until such time as he becomes reimbursed for the value of the tobacco supplied by him to the Government, it must be admitted that the condition of the people of Cagayan is by no means enviable. Can agriculture thrive under such a system?

Minerals.—Gold is found in the south of the island of Luzon, and in Mindanas and Mindoro. Small quantities find their way to Manila from remote districts, brought principally by Chinamen, who probably acquire it by traffic with the natives.

Copper ore has been found in various places; the only mine opened, that of Mancayan, in the north of Luzon, has proved a failure commercially, from its inaccessibility and the consequent difficulty of transport.

Iron, a mineral which it would scarcely pay to work in these regions, is abundant in Luzon, the best being obtained from the mines of St. Hilarion, at about five hours' distance from the town of Angat; there are no regular workings, but a native extracts the ore, from which he fashions the rude plough heads used in the country. The ore is, it is said, estimated to contain 80 per cent. of the metal, but both land and water communication are wanting.

Coal mines, which promise to become valuable, exist in the island of Cebu. One of them has just ceased from production, on account of the limited means of the proprietor, which only sufficed for the extraction of surface coal of very inferior quality, and in consequence of the limited demand.

Timber.—Enormous forests remain virgin on the eastern side of Luzon, and in most of the islands; in the settled districts, however, the people, by nature improvident, have been guilty of such indiscriminate waste, that a restrictive enactment has lately been issued by the Government, the immediate effect of which has been to raise the price of timber considerably. The following are the principal woods in use:—

Molave (*Didinamia Angiospermia*), *Vitex* (*Geniculata Altissima*).—This wood is of extraordinary durability against damp and wet, and even when inclosed in mud or masonry, it is very hard, of a short close grain, of a pale yellow tinge, which is susceptible of a high polish. It is much prized for piles and for columns, or piers, forming supports to houses. It is proof against the ravages of the white ant. The tree rises to a height of 60 feet, is called by the Spaniards the queen of woods, and abounds in most of the islands.

Ypil (*Decandria Monoginia*), *Eperua Decandria*.—This wood is somewhat larger in fibre than the molave, and of a dark red colour. It abounds in Luzon, and is much used as a substitute for molave, to which, however, it is inferior.

Narra (*Diadelfia Dodecandria*), *Petrocarpus* (*Paludus Santalinus*).—A red wood, with close grain and visible pores, susceptible of a splendid polish, some varieties have even been confounded with mahogany, from the appearance of the veins. It is more especially adapted for furniture, panelling, &c.

Bandba (*Poliadelfia Poliandria*), *Munchantia Speciosa*.—This tree attains a height of about 40 feet; the wood is of a dull red colour, and rots readily from exposure. It is principally in use for planking and flooring.

Dongon (*Monoecia Adelfia*), *Sterculia Cimbiformis*.—This wood is of a purplish red. It is much employed in building, being suited to rafters, joists, and beams. It is subject to rot.

Yacal (*Poliandria Monoginia*), *Dipterocarpus Plagatus*.—This tree reaches a height of upwards of 50 feet. The wood is of an earthy yellow colour. It is used in framework, roofing, and shipbuilding.

Bamboo (*Hexandria Diginia*), *Bambus Arundo*.—This cane grows of all sizes up to a foot in diameter, and 50 feet in height. It is one of the most precious productions of the country, from its adaptability to the wants of the Indian, to scaffolding, houses, bridges, cables, tools, and arms. It is almost weather-proof, and even when buried in mud will last for years. The cattle eat the leaves when fodder is scarce; the interior pellicle, if extracted carefully, may be used as paper; and it furnishes various remedies highly prized by the natives.

Rattan (*Hexandria Monoginia*), *Calamus Molis*, *Usitatis*, *Maximus*, and *Gracilis*.—All these species of cane are of great utility for many purposes. They grow to upwards of 100 feet in height, and 3 inches in diameter; they are of great tenacity, and are ordinarily used as ropes, though liable to rot from damp. The *Calamus maximus*, called by the natives "palasan," exudes potable water in quantity; and split up into lengths, it is made into hats, cigar-cases, &c. The *Calamus gracilis* is prized for walking canes.

The following woods are worthy of notice, though not so abundant, nor so much in demand, as the preceding:—

Palo Maria (*Poliadelfia Poliandria*), *Calophyllum Inophyllum*.—This tree yields a resin of agreeable odour, called "balsam de Maria," a substitute for copaiba. The wood is suitable for decking ships.

Gujo (*Poliandria Monoginia*), *Dipterocarpus Guiso*.—This wood is useful in shipbuilding, and for carriage wheels.

Antipolo (*Monoecia Diandria*), *Artocarpus Incisa*.—The tree grows to a height of 60 feet. The wood is yellow and somewhat spongy. It is valued for shipbuilding, and especially for canoes.

Cedar (*Pentandria Monoginia*), *Cedrela Odorata*, called "*Calantas*," attains to 100 feet high, and is much used for canoes and boats.

Landu (*Poliandria Monoginia*), *Dipterocarpus Thurifera*, attains to 90 feet high; is used for building vessels of war, as it does not splinter under cannon-shot.

Aninabla (*Monoecia Dodecandria*), *Mimosa Coriaria*, attains a height of 40 feet; is important for shipbuilding, from its lightness and durability.

Palma Brava (*Hexandria Monoginia*), *Coripha Minor*.—A palm-tree which, like the cocoa-nut, rears a straight, black trunk. The wood, all but the core, is hard and unaffected by water.

The camagon, a variety of the *Diospyros Philoshantera*, is a tree whose yellow wood, spotted with large blotches of black, makes very handsome furniture. Some specimens resemble the walnut. It is extremely hard.

The following Table will show, in kilogrammes, the absolute strain resisted in thrust, tension, and torsion, by a cubic centimetre:—

					Specific Gravity.	Resistance to Thrust.	Resistance to Tension.	Resistance to Torsion.
Molave	..	..	..	..	0.95	600	1,257	254.6
Ypil	..	..	..	..	1.035	434	563	153.
Narra.	..	..	..	..	0.66	500	633	127.3
Banaba	..	..	..	..	0.65	348	904	166.
Dongon	..	..	..	..	1.02	435	658	140.
Yacal.	..	..	..	..	1.105	450	1,174	191.
Bamboo	..	..	..	..	0.6	..	..	..
Rattan	..	..	..	..	0.05	..	..	..
Palo Maria	..	..	..	..	0.68	400	950	134.
Guijo	..	..	..	..	0.76	370	720	190.1
Antipolo	..	..	..	..	0.41	286	564	115.
Cedar	..	..	..	..	0.40	470	517	108.2
Lanan	..	..	..	..	0.43	226	694	76.4
Aninabla	..	..	..	..	0.59	340	493	146.37
Palma Brava	..	..	..	..	1.055	530	892	153.
Camagon	..	..	..	..	0.92	558	752	172.

Besides the molave, banaba, and palma brava, the mangachapuy, tangang, and pototan are not injured by continued immersion in water.

The following items may serve to convey an idea of the actual prices of wood for building:—

Molave.—1 plank, 3 yards long, 10 inches broad, 1 inch thick, lately at 6 rials, now at 1 dollar 50 cents; 1 post, 5 yards long, 10 inches square, lately at 10 dollars, now at 18 dollars; 1 post, 6 yards long, 10 inches square, lately at 11 dollars, and now at 20 dollars; 1 post, 11 yards long, 13 inches square, lately at 50 dollars, and now at 75 dollars.

Narra.—1 plank, 3 yards long, 16 inches broad, $\frac{3}{4}$ inch thick, lately at 2 dollars, and now at 4 dollars; 1 plank, 3 yards long, 20 inches broad, $\frac{3}{4}$ inch thick, lately at 3 dollars 50 cents, and now at 7 dollars.

Banaba.—1 plank, 8 yards long, 10 inches broad, 1 inch thick, lately at 1 dollar 63 cents, and now at 2 dollars; 1 log, 6 yards long, 9 inches broad, 7 inches thick, lately at 4 dollars, and now at 7 dollars; 1 log, 9 yards long, 10 inches broad, 8 inches thick, lately at 10 dollars, and now at 16 dollars.

Dongon.—1 log, 10 yards long, 10 inches broad, 9 inches thick, at 1 dollar 75 cents; 1 log, 20 yards long, 18 inches broad, 15 inches thick, at 120 dollars.

Ypil.—1 log, 5 yards long, 7 inches broad, 6 inches thick, at 5 dollars; 1 log, 5 yards long, 8 inches broad, 8 inches thick, at 9 dollars; 1 log, 9 yards long, 11 inches broad, 9 inches thick, at 18 dollars.

Labour.—The price of skilled labour varies from 3 to 5 rials ($37\frac{1}{2}$ to $62\frac{1}{2}$ cents) a-day, for carpenters and masons. Coolie labour costs 4 dollars per month, and maintenance. Shipwrights working in the river receive 4 rials (50 cents) a-day; if working in the bay, 1 dollar.

Price of Land.—In the vicinity of Manila, and in some of the more fertile parts of Bulacan, land is valued at 140 dollars the acre. In Pangasinan its average value is about 30 dollars, in Negros it varies from 2 dollars to 16 dollars the acre; but where population is scanty, as in parts of New Ecsija, it is to be purchased at an almost nominal rate.

Nothing in the shape of a land-tax presses on the shoulders of the inhabitants. Permission is only granted to the peasant to hold land during the time he chooses to cultivate it. Should he neglect cultivation for the space of two years, it is liable to be forfeited to the Government—

a wise regulation in that large tracts of country are thus prevented from falling uselessly into few hands.

There are many estates held by the religious orders, and also by Mestizo and European landlords; but the greater portion of the cultivated land is occupied by peasant proprietors, who farm from 3 to 10 acres. The tenure under which land is held is based on the Metayer system. What may be the exact amount of acreage under cultivation, one has no means of ascertaining, but seven-eighths of the country is probably still lying unproductive.

Public Works.—There are few, if any, public works deserving of notice in the Philippines. Docks are greatly needed. It is also unfortunate for the inhabitants of Manila that no aqueduct for the supply of good drinking water has as yet been constructed. Buoys are required in the outer harbour of Iloilo, to mark the tong and iguana banks, and also at the entrance of the river Jaro.

Highways.—Most of the “pueblos” or towns of any consequence are connected by roads, which, although passable in the dry season, are impassable in the wet. Some of them are covered with shingle, but none are macadamised. The bridges are also often carried away by the floods. The roads are repaired by forced labour, every native being compelled to furnish 40 days’ service to the Government, or in default thereof to pay the sum of 3 dollars per annum.

Rivers.—There are numerous streams and rivers, both in Luzon and in the other islands, but few of them are navigable for ships of great tonnage. Those most useful for commercial purposes are the Rio Grande of Pampanga, the Rio Grande of Cagayan, and the Pasig in Luzon; the Jaro in Panag, and the Batuan in Meridanao. By the river Pasig the produce of the province of Laguna is conveyed to Manila. Ships drawing more than 11 feet of water cannot enter this river, owing to the bar at its mouth, nor is it navigable for such craft for any distance. The Rio Grande of Pampanga, fed by the waters of the Rio Chico and the Rio de Cabanatuan, enters the bay of Manila at about 15 miles north-west of the capital. It is navigable for small steamers as far only as Bulacán, about an hour’s distance from its mouth; and for barges as far as the village of Bongabong, in New Ecsija. It is, so to say, the main artery of the richest and most populous part of Luzon, and serves as an outlet for a large portion of the productions of New Ecsija, Pampanga, and Bulacán. The Rio Grande of Cagayan rises in the eastern range of mountains called the Sierra Madre, and, after a course of some 120 miles, enter the China Sea at Aparri. There being but 14 or 15 feet of water at flood tide on the bar of this river, large ships anchor outside. The rapidity of the current and the sudden floods render the navigation of the Rio Grande at times exceedingly dangerous. It may nevertheless be termed the highway of the tobacco-producing province of Cagayan. Small steamers run three times a week to Guagua, once a day to Bulacán, and twice a day to Cavite from Manila. The Visayas Islands, in the south, have also at present a weekly steam communication with Manila.

External Communications.—All direct steam communication between this and Singapore appears to have ceased with the demise of the Labuan Coal and China Steamship Company.

Manila is distant from Hong Kong 580 miles, from Singapore 1,370 miles, from Labuan 660 miles, from Amoy 600 miles, and (in Japan) from Kagosima 1,140 miles.

Harbours.—The western coast of Luzon, and some of the other islands, is indented with many commodious harbours and places of refuge. Two only in Luzon (*viz.*, Manila and Sual), and two only in the Visayas (Iloilo and Cebu), have, however, as yet been opened to foreign shipping.

There is no need of my entering on a description of these harbours, as they are pretty accurately defined on the chart.

Exports.—Some of the productions of the Visayas, such as sugar, hemp, and rattans, are collected at the ports of Iloilo and Cebu, and exported directly from thence, as will hereafter be seen; others, such as the hemp of Leyte, Samar, and Mindanao, are forwarded to Manila.

Cagayan, in the extreme north of Luzon, with Albay and Camarines in the south, and the provinces of Bulacan, Batangas, and Pangasinan, all send their produce to Manila. This latter place is, in short, the principal depôt for the collection of merchandise for foreign markets. The chief articles of export are sugar, hemp, coffee, and tobacco.

The value of produce exported from the ports of Manila, Cebu, Iloilo, and Sual, during the year 1867, amounted to 11,711,668 dollars.

In addition to the articles already enumerated, canes, rattans, ebony, bêche de mer, cowries, soap, and wet indigo are exported.

The values and quantities of sugar, hemp, and coffee have shown a slight increase; but cordage, cigars, indigo, and leaf tobacco, a decrease since the year 1866.

With the exception of tobacco leaf, little or nothing was exported to Spain. Great Britain, with her Colonies, America, and China, appear to be the great consumers of Philippine produce. During the year 1867, Great Britain, Singapore, and Australia, received produce to the value of 4,650,607 dollars, America to the value of 3,544,789 dollars, and China to the value of 1,566,876 dollars.

The quantity of sugar and hemp exported in 1867, though more than in 1866, was still less than in 1862, 1863, or 1864. Coffee and indigo present but little augmentation over the year 1864.

The tobacco leaf is no longer sold at public auction as formerly, the Government having lately taken to shipping the whole on its own account, with the expectation of realising larger profits.

Imports.—The principal articles of imports (which, by-the-by, are furnished by the markets of Great Britain and China, Spain supplying but one-fourteenth of the total value) consist of plain and coloured cottons, yarn, linens, silks, machinery, coals, earthenware, and numerous other things.

The value of the principal articles of manufacture introduced into the Philippines from Great Britain, was, in the year 1863, 3,021,398 dollars, and in 1864, 3,941,696 dollars.

The imports from Hong Kong having unfortunately been included in the Government Returns, under the heading of "China Trade," I have been prevented from giving a detailed account of the same. I have, however, every reason to believe that their value for the years 1863 and 1864 did not fall far short of 3,000,000 dollars and 5,000,000 dollars respectively.

The average value of cottons, &c., imported during the past twelve years, has been 530,972*l.* sterling, and the average quantity 25,643,490 yards per annum.

The average value imported, between the years 1862 and 1867, was 577,352*l.* sterling per annum, and the average quantity 22,808,565 yards; showing, during the past six years, an increase in value and a decrease in quantity.

The official value of the exports and imports combined, of the British possessions (less the port of Hong Kong, included under "China"), in the year 1857, was 9,868,459 dollars, and in 1864, 8,494,187 dollars.

The official value of imports from all parts, in 1857, was 9,907,299 dollars, and in 1864, 10,946,584 dollars.

The official value of the exports to all parts, in 1857, was 11,824,441 dollars, and in 1864 but 10,657,026 dollars.

The official value of the exports and imports combined, to and from all parts, for 1857, was 21,731,740 dollars, and for 1864, 21,603,610 dollars; showing a decrease of 128,130 dollars.

The tonnage of the Spanish and foreign ships that entered the port of Manila, in the year 1857, amounted to 138,399 tons, and in the year 1864 but to 115,757 tons.

These figures indicate an almost stationary state of the commerce and navigation of the Philippines since the year 1857.

The official returns having only just been published for the year 1864, I am unable to render a detailed account of the trade of this country beyond that period.

TABLE of Exports direct from the Port of Iloilo.

	1864		1865.		1866.		1867.	
	Piculs.	Dollars.	Piculs.	Dollars.	Piculs.	Dollars.	Piculs.	Dollars.
Sugar:—								
Great Britain ...	121,390	...	18,033	74,971	89,266	347,200	7,715	28,341
Australia ...	...	...	30,882	128,900	27,195	103,088	41,833	136,862
California ...	3,066	...	...	...	...	...	...	...
China ...	28,301	...	58,600	235,158	24,243	90,763	95,359	357,414
Hong Kong...	...	...	9,930	40,986	4,537	17,270	5,442	20,800
Yokohama ...	...	...	...	...	...	...	2,774	10,366
	152,757	...	117,445	480,015	145,241	558,321	153,123	553,783
Paddy to Hong Kong	Cavans	...	9,827	12,069				
Total ...	...	...	...	493,084				

Adding 23,574 piculs sent to Manila, we have 176,697 piculs as the total export of sugar from the islands of Panay and Negros for the year 1867.

The values of the imports direct to the port of Iloilo, for the years 1865, 1866, and 1867, were respectively 10,542*l.*, 8,536*l.*, and 3,685*l.* sterling.

EXPORTS from the Port of Cebù.

					1864.	1865.	1866.	1867.
					Piculs.	Piculs.	Piculs.	Piculs.
Sugar to:—								
Great Britain	..	..	..	..	44,096	31,993	57,893	121,711
China	..	..	..	..	11,004	16,377	9,261	11,673
Australia	..	..	..	..	..	45,465	5,050	..
Total	..	..	..	..	55,100	93,835	72,204	133,384
Hemp to:—								
Great Britain	..	..	..	..	18,740	22,206	13,300	45,320
United States, America ..	..	..	..	..	..	17,492	21,326	..
Australia	..	..	..	..	..	1,200	1,500	..
Total	..	..	..	..	18,740	40,898	36,126	45,320

The value of the different articles imported to Cebù in coasting vessels, during the year 1866, was 1,011,200 dollars; and the exports from Cebù in coasting vessels, during the same year, amounted to 435,314 dollars.

The values of imports of foreign manufacture, direct and indirect, to the port of Sual, were, in 1864, from Manila, 360,540 dollars; from Hong Kong, 2,315 dollars; total, 362,855 dollars. In 1865, their values

were, from Manila, 296,508 dollars; from Hong Kong 32,753 dollars; total, 329,261 dollars.

VALUE of Exports direct from the Port of Sual to—

				Macao.	Hong Kong.	Shanghai.	Total.
				\$	\$	\$	\$
1864	..	..	..	28,162	542,721	74,749	645,632
1865	..	..	..	..	672,429	..	672,429
1866	..	..	..	..	176,788	..	176,788
1867	..	..	..	..	..	..	..

TONNAGE DUES.

	Tonnage.	Light.	River.
	Cents.	Cents.	Cents.
Foreign ships not entering the river, but arriving in ballast, and loading, pay per ton	25	6½	3½
Foreign ships loading and discharging, pay per ton ..	25	12½	6½
Foreign ships discharging and leaving in ballast, pay per ton	25	6½	3½
	Cuartos.	Cuartos.	Cuartos.
Spanish ships not entering the river pay for loading and discharging	..	5	5
Spanish ships arriving and departing with same cargo ..	..	5	2½
Spanish ships arriving in ballast and loading	..	5	2½

Thus Spanish ships pay but 10 cuartos, whilst foreign ships are subject to the payment of 43¾ cents a ton.

Foreign ships arriving and leaving in ballast, or driven in through stress of weather, also those entering with cargo for the sake of trying the port and leaving without performing any commercial operation, have all lately been exempted from the payment of tonnage dues.

Differential Duties.—These are levied as follows :—

On Imports.—On foreign goods imported in foreign ships, 14 per cent. ; on foreign goods in Spanish ships, 7 per cent. ; on foreign goods *via* Hong Kong, in Spanish ships, 9 per cent. ; on foreign goods *via* Singapore, in Spanish ships, 8 per cent. ; on goods from Spain, in Spanish ships, 3 per cent., and in foreign ships 8 per cent. Ale and porter pay 25 per cent. in foreign, and 20 per cent. in Spanish ships ; spirits, 60 per cent. in foreign, and 30 per cent. in Spanish ships ; wine, 50 per cent. in foreign, and 40 per cent. in Spanish ships ; clothing, made up, 50 per cent. in foreign, and 40 per cent. in Spanish ships. Coal, flour, grain, salted, smoked, and preserved fish and meats, and agricultural machinery, are free of duty.

On Exports.—3 per cent. by foreign, and 1½ by Spanish ships, with the exception of hemp, which is 2 per cent. by foreign, and 1½ by Spanish ships, and rice, which is 4½ per cent. by foreign, and 1½ by Spanish ships. Tobacco free.

The abolition of the differential duties, together with the tonnage dues, and the establishment in their stead of a duty, say of 6 to 7 per cent. on imports, and of 2 to 3 per cent. on exports, without any distinction as to the flag, are remedial measures which the Spanish Government would do well to take into consideration, if it be really desirous of advancing the commercial interests of this colony.

Industry.—Various stuffs, called pina, sinamais, and nipis, are manufactured in the islands of Panay and Luzon. Pina (made from

the fibre of the pineapple tree), when worked with silk, costs 3. to 4 dollars the piece of 5 yards; gauze, from 5 to 6 dollars the piece. Tinampipi, a fine texture made from the filaments of the abacà or hemp, fetches from 10 reals to 2 dollars the piece. Guinaras, coarse textures made also from the hemp-plant, and worn by the poorer class of people, cost but $1\frac{1}{2}$ reals the piece of 5 yards. Many of these native manufactures being anything but durable, and moreover very expensive, are becoming rapidly superseded by the cottons and silks from Europe and China.

Hemp cordage is wrought in the provinces of Albay, Camarines, and Manila; and great dexterity is displayed in the making of mats, baskets, hats, and cigar-cases.

The houses of the better class of natives are fairly constructed, but the huts of the masses are much the same as those of the Malays of Borneo and other parts of the Indian Archipelago. The inhabitants of the Philippines are, as a rule, bad masons, and but indifferent carpenters.

There are numerous towns in Luzon, Panay, and Cebu, containing 15,000, and some as many as 25,000 and even 30,000, inhabitants. The population of Manila, with its 19 suburbs, is calculated at 279,782.

Fairs are held in many of the provinces, and an internal or home commerce is carried on in cocoa, rice, rattans, bamboos, oil, betel-nut, cattle, fruit, timber, pina and abacà stuffs, coarse pottery, salt fish, spirits of different sorts, sugar, &c.

Coasting.—Native craft, varying in size from 30 to 130 tons, are constructed in Batangas, Zambales, Sual, and other places. The number of coasting vessels that entered Manila in the year 1857 was as follows:—

	Number.	Tonnage.
Steamers	13	2,824
Ships	2	689
Barques.. .. .	14	3,725
Brigs, &c.	584	65,464
Cascos, barges, &c.	1,167	45,622
Total	1,780	118,324

ENTERED under Spanish and Foreign Flags in the years 1863 to 1867.

	1863.		1864.		1865.		1866.		1867.	
	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.
Spanish ...	115	37,783	122	34,963	109	33,087	96	30,716	90	28,074
Foreign ...	182	124,430	140	80,794	145	84,245	122	74,075	121	78,759
Total ...	297	162,213	262	115,757	254	117,332	218	104,791	211	106,833

Showing a decrease, between 1863 and 1867, of 86 vessels and 55,380 tons. In 1857, the number of ships that entered the port of Manila was 234, with a tonnage of 138,399 tons; whilst in 1867 the number amounted to but 211, with a tonnage of 106,833 tons. These figures afford an additional proof of what has been advanced in a previous part of this Report, relative to the stationary state of the commerce of this Archipelago.

It is here worthy of notice that out of a total of 211 ships, and 106,833 tons, which entered the port of Manila in the year 1867, 75 vessels, of 44,755 tons, were under the British flag; 90 vessels, of

28,074 tons, were under the Spanish flag; 28 vessels, of 25,011 tons, were under the American flag; and 5 vessels, of 1,961 tons, were under the French flag.

Weights and Measures.

Picol	=	100 catties ..	=	140 lbs. English.
Cavan	=	(varies) 127 to 136	..	..
Quintal	=	100 lbs. Spanish	=	102

RATE of Six Months' Bills during 1866 and 1867.

			1866.	1867.
			s. d.	s. d.
January..	..	per dollar	4 2	4 0
February ..	..	"	4 3½	4 1
March ..	..	"	4 4	4 3
April ..	..	"	4 4	4 3½
May ..	..	"	4 3½	4 4½
June ..	..	"	4 4	4 4
July ..	..	"	4 0	4 1
August ..	..	"	4 0	4 1
September ..	..	"	4 1	4 2
October ..	..	"	4 1	4 3
November ..	..	"	4 1	4 3
December ..	..	"	4 0	4 2

Currency.—The currency of the Philippines is the Spanish dollar divided into rials and cuartos, but for commercial accounts, and to correspond with the American dollar, also divisible into cents. A dollar consists of 8 rials, equal to 160 cuartos, a rial being equal to 20 cuartos.

The coinage consists of the gold pieces of 4 dollars, 2 dollars, and 1 dollar; of the silver pieces of 4 rials (equal to 50 cents), 2 rials (equal to 25 cents), 1 rial (equal to 12½ cents), and a recent emission of 20 and 10 cent pieces; and of the copper pieces of 2 cuartos and 1 cuarto.

The Government accounts are, however, calculated in escudos or florins (2 to the dollar), and in ten-thousandths of an escudo: thus 1 dollar 6 rials are equal to 1 dollar 75 cents, and to $3\frac{5000}{10000}$ escudos.

The revenue of the Philippines is derived principally from a poll-tax imposed on the natives, and from the monopoly of tobacco.

In the year 1867, the poll-tax was estimated at 2,663,000 dollars, the tobacco monopoly at 7,277,600 dollars, and the total revenue at 12,450,000 dollars. In the year 1863, the revenue received some considerable addition owing to an increase in the collection of the tobacco, but since that period it appears to have manifested but little, if any, advancement.

That the agricultural and commercial resources of these islands might be expanded without much difficulty, there is no doubt; but so long as the Government continues to occupy its present anomalous position of merchant and ruler, and so long as the present commercial system remains unchanged, any real or important progress will be next to impossible.

Manila, April 15, 1868.

PORTO RICO.

Report by Mr. Acting-Consul Cowper on the Trade and Commerce of the Island of Porto Rico during the Year 1867.

THE general state of the island during the past year was very far from satisfactory. Financially, its condition has been very critical for some years past; but in 1867 the embarrassments of the treasury seem to have culminated, and the government was obliged to take energetic measures to save itself from bankruptcy, military revolt, and revolution. The large staff of civil employés and the numerous garrison had been unpaid for six months; and, although the former did not complain very loudly, as it was always in their power to obtain the means of living, however exceptionally, in the spheres of their different employments, the military, who were not so favourably placed, suffered great hardships, and serious threats were held out that they would help themselves; and if they had been carried into effect, the loss of the island would have probably resulted as the revolutionary party, who desire independence and a republic, would undoubtedly have availed themselves of the defection of the troops.

These circumstances had naturally caused a want of confidence in the government and the maintenance of peace, and a consequent depression in trade and all the different branches of industry; the whole of the artisan and labouring classes were out of employ; and many took to robbery and even murder—crimes hitherto almost unknown—to provide themselves and families with the means of existence. Such was the condition of the island when the great physical calamities fell upon it, in common with many other West India islands.

The first of these was the hurricane of the 29th October—the most severe ever known in the island. It broke upon the east end; and at Fajardo, Naguabo, and Humacao, it demolished almost every building in the towns and surrounding estates. Its first blast levelled 25,000 cocoa-nut trees; and the floods which accompanied it carried away numerous cattle and many human beings. The grain and fruit crops were utterly destroyed, but the canes were supposed to have been rather benefited by the large amount of manure washed down from the forests in the mountains.

The hurricane was followed, on the 18th November, by the strongest shock of an earthquake on record. It caused considerable damage in the capital, the provincial towns, and the estates. The former, a large fortress, is entirely composed of massive brick buildings; but they were all more or less seriously injured. In the country isolated houses were thrown down, and on the estates the chimneys of the boiling-houses fell. Ever since the 18th November the earth has continued to tremble, with an occasional heavy shock; but the panic, which was at first so great that everybody fled from the city, has subsided, and business has been resumed; but all who can afford it have prudently built themselves wooden houses outside the walls.

The effects of these calamities upon the labouring classes is the very reverse to what might have been expected. Instead of increased misery, the agricultural labourers immediately obtained employment, upon their own terms, in re-adjusting the fields, &c.; and the mechanics in the towns, such as bricklayers, carpenters, &c., found work so plentiful in repairing houses, &c., that they not only demanded exorbitant wages, but refused to work more than four days in the week for about four hours a day;

indeed, as one told me, "God Almighty sent the hurricanes and earthquakes for the benefit of the poor workman;" and they certainly took advantage of the dispensation. It will be seen, therefore, that the proprietors were the real sufferers, and that the charitable subscriptions sent out from England and elsewhere for the labourer were quite unnecessary.

It will not be surprising, therefore, that the amount of production somewhat fell off in 1867; less, however, than might have been expected, as will be seen by a comparison of the exports for the last five years:—

Year.	Sugar.	Molasses.	Coffee.	Tobacco.	Hides.	Cotton.	Rum.
	tons.	gallons.	lbs.	lbs.	lbs.	lbs.	quarts.
1863	73,233	4,972,640	20,980,475	6,024,593	627,681	326,810	363,305
1864	55,212	3,732,070	14,993,880	4,678,333	569,665	1,583,187	32,055
1865	75,666	5,554,037	23,724,624	5,559,596	722,838	2,229,766	191,887
1866	64,017	5,206,655	13,903,552	3,753,582	907,330	1,948,438	165,895
1867	68,229	5,068,094	20,734,135	2,119,014	784,898	972,518	64,261

The value of these exports amounts to about 2,000,000*l.* sterling, the greater part going to the United States and Great Britain and the North American Colonies, in the proportion of two-thirds to the former and one-third to the latter; thus, of the 68,229 tons of sugar exported in 1867, 47,776 tons went to the United States, 17,382 tons to Great Britain or Canada, and 3,071 tons only to other parts.

The value of the imports is about 3,000,000*l.* per annum, and of those from Great Britain and Canada about 800,000*l.*

The great bulk of the carrying trade is in the hands of the British; and it would be more extensively so, were it not for the privileges accorded to the Spanish flag. About 400 British vessels load or unload at the different ports of the island annually.

Such was the state of the island at the end of 1867; but I anticipate that the year 1868 will witness great changes for the better. The new Captain-General, General Paira y Lacy, is a man of liberal and enlightened ideas. He at once comprehended that the long maladministration to which the island had been subject was the cause of all its evils; and he frankly represented the true state of affairs to the Home Government, and obtained *carte blanche* to introduce such changes as would ameliorate its condition. His first act was greatly to reduce the number of worthless employes who absorbed the revenues of the island; and he obtained and issued a Royal Decree, dated 4th February, 1868, declaring the following articles of consumption free of import duty:—

"Olive oil, rice, cod-fish, hams, shoulders, Spanish peas, grain, vegetables, oats, rye, corn, peas and beans of all kinds, and other articles of similar description; flour and cereals, garlic and onions, potatoes, and similar articles; lard and butter; dry, salted, smoked, and pickled fish; salted sardines; jerked beef, prime and dry salted pork, salted and smoked beef, mutton, and pork; arrow-root; live cattle, cows, asses, horses, mules, sheep, hogs; mineral coal and charcoal; live fish; guano and other natural or artificial manure; machinery, and all kinds of mechanical apparatus or instruments, for agricultural purposes; machinery or apparatus for the special cultivation or collection of cocoa, coffee, and cotton; machinery for boring Artesian wells; mills for cleaning rice and shelling corn; white spruce and pitch pine; lumber shingles; wooden houses and nails for same."

There is no restriction as to flag, or country whence imported; and eight months' notice is to be given before any alteration can take place.

Besides this, the Captain-General has proposed to his Government to make St. Juan a free port, where merchandize may be impored, warehoused, and again exported, free of duty or other heavy charges; and, through his recommendation, the Spanish government has recently negotiated a loan in London of 12,000,000 dollars for colonial purposes, of which an instalment of half a million has already arrived here, and cannot fail to produce a beneficial result: and I feel assured that, if the Captain-General is supported in his present liberal views, and can succeed in carrying them into effect, this island will continue to be the richest and most productive for its size in the West Indies.

St. Juan de Puerto Rico, June 1, 1868.

